



EXHIBIT 1
DATE 1/28/13
HB 98

Friday, January 25, 2013

To: Human Services Committee
Re: HB 98

Thank you for a good hearing on HB 98. The committee members had some questions about school breakfast programs and we are providing you with some additional information.

1. When did this program start?

The federal school breakfast program started as a pilot project in 1966. By the year 2000, about half of the schools in Montana offered a breakfast program. Currently more than 80 percent of the public schools in the state offer breakfasts.

2. How would the mini-grants be used?

The mini-grants of \$500 would allow schools to purchase items such as an industrial toaster or carrying cases if they are providing breakfasts in the classroom. This funding allows schools to make a one-time purchase that they might otherwise not be able to make.

3. Why don't schools use money in their existing budget to fund school breakfasts?

Many school districts in Montana are already operating on an extremely tight budget. Schools rely on reimbursements from the USDA to offset costs for the school meals.

4. How does the reimbursement system work?

If a school wants to start a school breakfast program, they must buy the food and pay the labor costs upfront for the program. At the end of the month, the school submits a reimbursement claim to the OPI for the number of meals served that month. The OPI sends a request to the USDA for the exact amount needed to reimburse all schools in the state for meals served and then sends reimbursement to the schools.

5. How does covering the \$0.30 for reduced price breakfasts help with hunger?

The \$150,000 would pay for the reduced-price students to eat breakfast free of charge. As school representatives stated, some of their time is spent on collecting the thirty cents for the meals because it is difficult for the families to cover this cost. For the \$150,000 spent by Montana, the federal USDA contributes \$1.25-1.55 per meal (totaling more than \$6.5 million) so that 3,000 students can be assured of a healthy breakfast each day (approximately 500,000 meals for the year). It's a good investment in the education of our students.

6. Why doesn't the OPI pay for the program out of its own budget?

The decision to start a school breakfast program is a local school district decision. OPI does not have funds for this purpose. The \$500 mini grants would serve as incentives for local schools. In addition, OPI does not have the funds to reimburse schools for the cost of meals. The OPI requests reimbursement from the federal USDA for meals served and passes that money on to school districts.

If the committee members have any additional questions, don't hesitate to contact us.

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